This record is a partial extract of the original cable. The full text of the original cable is not available.

C O N F I D E N T I A L SECTION 01 OF 03 COLOMBO 001433

STPDTS

DEPARTMENT FOR SA, SA/INS; LONDON FOR POL/RIEDEL; NSC FOR E. MILLARD

E.O. 12958: DECL: 08-05-12 TAGS: <u>PGOV PINS PINR PREL CE</u> SUBJECT: Breaking down possible cohabitation scenarios

Refs: (A) FBIS Reston Va DTG 050127Z Aug 02

- (B) Colombo 1422
- (C) Colombo 1403, and previous
- (U) Classified by Ambassador E. Ashley Wills. Reasons: 1.5 (b,d).
- 11. (C) Summary: Colombo is aswirl in reports that the tense cohabitation relationship between President Kumaratunga and Prime Minister Wickremesinghe is coming to a head. At this point, three possible scenarios seem to be emerging, all of them equally plausible. The first scenario is that both sides muddle through and desist from aggravating the situation. The second has Kumaratunga suspending Parliament and calling elections later this year. The third has the PM calling snap elections in order to bolster his position. This volatile situation is not positive news for the peace process, which is at a sensitive stage. The best posture for the U.S. is to continue to urge the parties to exercise restraint. End Summary.

Inching toward Confrontation

- 12. (C) Colombo is abuzz with reports that the tense cohabitation relationship between President Kumaratunga and Prime Minister Wickremesinghe is coming to a head. Newspapers over the last several days have been full of reports that the two sides are planning to take this or that action in order to corner the other side. August 5 news stories, for example, report that members of the United National Front (UNF) government met August 4 and discussed the possibility of a snap election (see Ref A and Para 4 for more on this report).
- 13. (C) The UNF meeting came in response to a widely publicized letter dated July 29 from Kumaratunga to the PM in which she claimed that his ministers were working to undermine her position. In the letter, which was extremely harsh in tone, she also reiterated that she had the legal right to fire ministers (see Ref C). This letter followed an earlier exchange of letters dated July 19 between the two in which Wickremesinghe rejected Kumraratunga's demand that he fire Commerce Minister Ravi Karunanayake. (Note: Joined by a handful of other ministers, Karunanayake, a fierce opponent of the president, has repeatedly goaded Kumaratunga over a number of issues. In her July 19 letter, Kumaratunga had alleged that Karunanayake had publicly accused her of bringing a handbag equipped with a bomb to cabinet meetings. The PM denied that Karunanayake had made this specific accusation. End Note.)

Outlining Possible Scenarios

- 14. (C) As tensions spike up, three possible scenarios seem to be emerging, all equally plausible. These scenarios are:
- -- Muddling Through: In this scenario, both sides decide to desist from taking steps that exacerbate the situation. Desmond Fernando, a well-known local lawyer, told us that he thought that this scenario was a real possibility. He noted that there was a tradition in Sri Lankan politics of tensions spiking up very quickly, as emotions get out of hand over small issues. Tempers soon calm down, he added, and the people involved get back to more-or-less regular business. Along the lines Fernando mentioned, there have been some tentative signals that there may be a willingness by some members of both camps to cool off temperatures, perhaps by agreeing to some sort of formal or informal compromise solution. In an August 5 meeting with the Ambassador, for example, Nimal S. De Silva, a senior People's Alliance (PA) MP, said Kumaratunga was willing to back down if the UNF stopped verbally attacking her in cabinet meetings and stopped harassing PA party members. Milinda Moragoda, a senior UNF minister, has also told

the Ambassador that he was advising other party members to seek a compromise solution, perhaps one that was written down and then signed by both parties. Another aspect that makes this scenario a real possibility is that the two other likely scenarios involve the calling of elections. Elections are something most MPs do not want to happen, as campaigns are very expensive and elections have already been held each of the past two years.

- -- Kumaratunga Suspends Parliament: Under this scenario, President Kumaratunga suddenly fires the Prime Minister, suspends Parliament for three months (the constitutional limit), and calls for new elections late this year. (Note: Per her constitutional right, the president could call for new elections at any point one year after the December 2001 election.) Neither the president nor her supporters have publicly indicated that this scenario is in the cards. That said, leaks to the press -- apparently from PA sources -- have indicated that the president and her advisers are seriously mulling over this possibility. One newspaper on August 4, for example, published a memo purportedly prepared by one of the president's advisers that set out this scenario as something that was under active consideration. (Note: PA MP De Silva told the Aambassador that Kumaratunga, in fact, did not plan to suspend Parliament.) In another indication of a possible PA inclination toward confrontation, the radical Janantha Vimukthi Peramuna (JVP) party has of late urged the president to sack the government. Several PA senior MPs, including Anura Bandaranaike, the president's brother, have been reportedly developing close ties with the JVP. Some observers wonder whether the JVP's hard-line stance on cohabitation has the blessing of these PA MPs.
- -- UNF calls a Snap Election: As noted above, reports are rolling in that the UNF may be considering calling snap polls in order to bolster its position. (Note: The PM has the right to call new elections if he obtains the support of a majority of MP's sitting in Parliament. Elections would take place from six weeks to two months after being called.) According to one report, the would call a snap election if the president did not agree to a series of demands. These demands would the UNF reportedly include that she agree to give up her right to call elections one year after the last election and that she agree to allow crossover voting in Parliament. (Note: The UNF has been discussing pursuing both of these proposals via a constitutional amendment for several months now -- see Ref C.) The PM and ministers such as Milinda Moragoda are believed to be reluctant to call snap elections, which they believe would only serve to divert attention from the peace process. There is a hard-line group in the UNF, however, which is believed to be pressing for a confrontation. This group believes the UNF would bolster its position in Parliament via an election, leaving it better positioned vis-a-vis the president, and possibly with the support of enough MPs to try to impeach her for corruption and abuse of power.

Not Positive News for the Peace Process

- 15. (C) The ongoing volatility in Sri Lankan politics is not positive news for the peace process. The process is entering an especially sensitive stage, with both the GSL and the Liberation Tigers of Tamil Eelam (LTTE) preparing for possible face-to-face talks (see Ref B). The continuance of instability in Colombo would almost certainly make the LTTE reluctant to deal with a government that may not be able to carry through on its promises. Tamil politicians, for example, have often (and accurately) claimed that past governments have gone back on agreements reached with Tamils and they are allergic to any possibility that this might happen again. Compounding the situation is the fact that a suspension of Parliament or the calling of an election would lead to serious disruptions in which politicians would not be able to give their full attention to the peace process.
- 16. (C) Given this situation, continued volatility in Colombo could easily lead to a significant delay in talks (which now seem possible in September or October), as the GSL gets its act in order. If Kumaratunga and her supporters who are generally more hard-line on the LITE get the upper hand in elections or some other way, the peace process as it is now configured could also be sidetracked for some period. At best, if the UNF did well in an election, the results might be seen as a vote of confidence in its peace initiative, allowing it to move forward toward talks. All this said, there are many risks for the peace process

inherent in the currently fluid situation that make it important that tensions abate soon.

Comment and Recommendations for U.S. Policy

- 17. (C) At this point, it is difficult to guess which of the three scenarios reviewed above will eventuate. Tensions between the two sides appear so intense that it is possible that either side may make a sudden lunge at the other. Any such action would, in turn, provoke a negative response in kind. That said, the situation may not be as dire as it seems on the surface, i.e., as part and parcel of the country's political culture, there may be a lot of hot air being emitted along with the harsh broadsides.
- 18. (C) We think the best posture for the U.S. is to continue to urge the parties to exercise restraint, steering them back toward a focus on the national interest in moving forward with the peace process. It is important that the politicians not lose sight of the incontestable fact that the vast majority of Sri Lankans support the peace process and do not want this rare chance to slip away due to partisan infighting. Depending upon events, we may recommend that a senior official the Secretary, the Deputy Secretary or Assistant Secretary Rocca call one or both party leaders to convey a message of concern, but it is too early to take such an action now. End Comment.
- 19. (U) Minimize considered.

WILLS